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RETAIL PRICES AND WAGE RATES, SEPTEMBER QUARTER 1968

CONSUMER PRICE INDEX

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Introduction

The Consumer Price Index measures quarterly, for each State Capital, the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, furniture, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licences, newspapers, postal and telephone services, hairdressing, dry cleaning, and various other items.

The various commodities and services have been combined into groups, and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

The indexes measure price movements in each city individually. They do not provide a comparison of the retail price level in any city with the retail price level of any other city. The base of the index for each city and for the weighted average, six State Capitals, is year 1952-53 = 100.0. Group indexes also have separate bases for each group.

SEPTEMBER QUARTER 1968

There was an increase of 0.9 per cent in the Brisbane Consumer Price Index from June quarter 1968 to September quarter 1968, the index number for All Groups rising from 149.4 to 150.7. For the twelve months ended September 1968 the All Groups increase was 1.8 per cent.

From June quarter 1968 to September quarter 1968 the Consumer Price Index increased in all State Capitals except Adelaide which recorded no change. Percentage increases were as follows: Brisbane, 0.9; Sydney and Hobart, 0.4; Melbourne and Perth, 0.3.

Since the base year, 1952-53, the rise in the retail price level has been greatest in Brisbane and smallest in Sydney. Percentage increases from 1952-53 to September quarter 1968 were as follows: Brisbane, 50.7; Hobart, 48.3; Melbourne, 47.9; Perth, 43.8; Adelaide, 42.6; and Sydney, 42.3. The rise in the weighted average for the six State Capitals was 45.2 per cent. (It should be noted that these figures merely indicate rates of price rises in separate cities and do not represent in any way the relativities of actual price levels in the different cities.)

A brief outline of the movements of the various group indexes for Brisbane between June quarter 1968 and September quarter 1968 is shown below.

Food Group

The Food Group of the index increased from 159.2 to 159.4, a rise during the quarter of 0.1 per cent. While a small price increase was recorded for beef, this was more than offset by price decreases for mutton, lamb, and pork, resulting in an overall price decrease for fresh meat. Higher prices were recorded for eggs and potatoes, while there were price decreases for bacon and onions.

Clothing and Drapery Group

Increases in the price of footwear were mainly responsible for a rise of 0.5 per cent in the Clothing and Drapery Group. The index increased from 127.5 to 128.1.

Housing Group

The Housing Group index increased by 1.9 per cent from 173.4 to 176.7. The major direct cause of the increase was local government rates and charges, but rises were also recorded for government and private rents as well as for the price of new houses.

Household Supplies and Equipment Group

This group index rose from 118.5 to 120.6, an increase of 1.8 per cent. The increase was primarily due to a rise in the price of electricity.

Miscellaneous Group

The Miscellaneous Group index rose from 161.5 to 163.5, an increase of 1.2 per cent. The rise was chiefly attributable to the motoring section of the group because of higher prices for cars, third party insurance, and repairs.

COMMONWEALTH AND STATE WAGE RATES

The Commonwealth and State wage rates are reviewed by the appropriate industrial authorities from time to time, and prevailing basic wage rates (which used to be determined in part by price movements) were shown in issues of this Bulletin up to March quarter 1967. In a decision given on 5 June 1967, the Commonwealth Conciliation and Arbitration Commission eliminated the separate concepts of basic wage and margins from its awards and removed any remaining link between the index numbers and Commonwealth wage rates. The Commission added \$1 per week to all wage rates for adult males and females prescribed under existing awards, the increases to operate from the first pay period commencing on or after 1 July 1967.

Following the Commonwealth judgment, the industrial authorities of the various States granted wage increases to employees under their respective awards. With the exception of Western Australia (where wage rates for adult males under certain awards were increased by \$1 per week and wage rates for adult males and females not in receipt of the minimum wage were increased by 60 cents per week) the increase applied was \$1 per week for adult males and adult females. In Queensland, the increase was applied by way of a "general ruling" which was effective from 3 July 1967.

As the outcome of its annual review in connection with the National Wage Case, 1968, the Commonwealth Conciliation and Arbitration Commission granted an increase of \$1.35 per week to all adult (male and female) wage rates prescribed under its awards. The increase applied as from the first pay period commencing on or after 25 October 1968.

In a judgment given on 25 October 1968, the Queensland Industrial Conciliation and Arbitration Commission decided that the abovementioned increase granted to employees working under Commonwealth Awards should flow to employees working under Queensland Awards. Accordingly it increased the Queensland basic wage by \$1.35 per week for adult employees (male and female) as from 28 October 1968. The Commission also decided that the increase of \$1 per week granted as from 3 July 1967 should now be absorbed in the basic wage so that wage rates expressed in its awards and industrial agreements can again be regarded as including two main elements, namely, basic wage and margin. As from 28 October 1968 the Queensland basic wage (South-Eastern Division) therefore became \$35.55 for adult males and \$27.25 for adult females.

Wage rates prescribed under State Awards in New South Wales, South Australia, and Western Australia followed the Commonwealth increase of \$1.35 per week for adults. In Victoria most Wages Board determinations have been altered to include the increase but a number of applications remain to be heard. In Tasmania, an application to increase wages by an amount greater than the Commonwealth increase of \$1.35 awaits hearing.

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20 November 1968

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Table 1 - Consumer Price Index: Total and Group Indexes, Brisbane
(Year 1952-53 = 100.0)

Period	Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscell- aneous	All Groups
<u>Year</u>						
1958-59 ..	119.8	109.4	128.4	109.0	123.6	118.2
1959-60 ..	124.2	111.9	132.6	110.6	125.6	121.2
1960-61 ..	130.4	115.1	137.6	111.3	129.5	125.4
1961-62 ..	130.8	116.7	140.5	113.0	133.3	127.3
1962-63 ..	129.8	117.0	144.0	112.8	134.4	127.7
1963-64 ..	133.1	117.8	145.2	111.7	135.2	129.0
1964-65 ..	141.5	119.5	149.0	112.7	140.9	133.9
1965-66 ..	150.9	121.0	158.3	115.0	148.7	140.4
1966-67 ..	153.5	123.7	162.8	116.5	155.8	144.0
1967-68 ..	159.1	126.7	172.2	117.9	160.8	148.8
<u>Quarter</u>						
1967: September	159.0	125.6	171.0	117.6	159.4	148.0
December	157.6	126.6	171.8	117.7	161.0	148.3
1968: March ..	160.5	126.9	172.4	117.8	161.1	149.4
June ..	159.2	127.5	173.4	118.5	161.5	149.4
September	159.4	128.1	176.7	120.6	163.5	150.7
Percentage Increase or Decrease (-) on Previous Quarter						
<u>Quarter</u>						
1967: September	2.1	0.4	4.1	0.3	1.6	1.7
December	-0.9	0.8	0.5	0.1	1.0	0.2
1968: March ..	1.8	0.2	0.4	0.1	0.1	0.7
June ..	0.8	0.5	0.6	0.6	0.2	..
September	0.1	0.5	1.9	1.8	1.2	0.9

Table 2 - Consumer Price Index: State Capital Cities
(Year 1952-53 = 100.0 for Each City and for Six State Capitals)

As the base for each city is 100.0, the indexes in the table below do not indicate relative price levels as between cities, but they may be used to compare relative price movements in the various cities.

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Weighted Average Six State Capitals
<u>Year</u>							
1958-59 ..	115.3	116.6	118.2	114.5	114.7	118.7	116.0
1959-60 ..	117.8	120.0	121.2	118.0	116.9	120.8	118.9
1960-61 ..	122.1	125.9	125.4	122.9	121.2	127.5	123.8
1961-62 ..	122.6	126.3	127.3	122.5	121.6	128.1	124.3
1962-63 ..	123.2	126.2	127.7	122.1	122.2	128.0	124.5
1963-64 ..	124.5	127.1	129.0	123.5	123.8	129.4	125.7
1964-65 ..	128.8	132.2	133.9	128.6	127.6	133.6	130.4
1965-66 ..	133.1	137.1	140.4	132.7	132.5	138.3	135.2
1966-67 ..	136.3	140.7	144.0	136.9	137.9	141.2	138.8
1967-68 ..	140.6	145.9	148.8	140.8	141.9	147.7	143.4
<u>Quarter</u>							
1967: September	139.7	144.8	148.0	140.5	140.7	147.2	142.5
December	140.3	145.3	148.3	139.7	141.3	148.2	142.9
1968: March ..	140.7	146.0	149.4	140.5	142.2	147.6	143.5
June ..	141.7	147.4	149.4	142.6	143.4	147.7	144.6
September	142.3	147.9	150.7	142.6	143.8	148.3	145.2

Table 3 - Average Retail Prices: Food, Brisbane

Item	Unit	Year	Month		
		1967	July 1968	Aug. 1968	Sept. 1968
<u>Cereal Products</u>		Cents	Cents	Cents	Cents
Bread, white (unwrapped and delivered)	2 lb loaf	16.7	18.0	18.0	18.0
Flour, plain	2 lb pkt	13.5	14.6	14.6	14.1
Flour, self-raising	2 lb pkt	16.2	16.9	17.4	17.4
Biscuits, wheatmeal	$\frac{1}{2}$ lb pkt	16.1	17.0	16.4	16.8
Biscuits, milk arrowroot	$\frac{1}{2}$ lb pkt	17.0	17.0	17.8	17.7
Biscuits, dry	$\frac{1}{2}$ lb pkt	17.5	17.5	17.9	17.5
Oats, rolled	2 lb pkt	38.3	41.6	39.6	41.8
Rice	1 lb pkt	13.4	14.3	14.2	14.4
<u>Dairy Produce</u>					
Milk, fresh (bottled, delivered) ..	1 quart	18.0	18.0	18.0	18.0
Milk, powdered	12 oz tin	38.4	38.9	38.3	39.1
Milk, condensed	14 oz tin	21.3	22.1	22.2	22.6
Cheese, cheddar, matured	8 oz pkt	32.4	32.7	32.7	32.7
Cheese, cheddar, processed	8 oz pkt	25.1	24.5	23.6	25.1
Butter	1 lb	51.0	50.5	50.5	50.1
Eggs (24 oz in carton)	dozen	61.1	62.6	59.1	58.0

Table 3 - Average Retail Prices: Food, Brisbane (continued)

Item	Unit	Year	Month		
		1967	July 1968	Aug. 1968	Sept. 1968
		Cents	Cents	Cents	Cents
<u>Fruit and Vegetables</u>					
Peaches, canned	29 oz tin	30.6	31.9	30.5	30.8
Pears, canned	29 oz tin	30.8	31.9	31.4	31.7
Sultanas	1 lb pkt	34.9	35.6	36.1	36.2
Peas, green, canned	15½ oz tin	22.3	20.9	21.2	21.3
Peas, frozen	10 oz pkt	28.4	26.0	27.3	26.3
Potatoes	7 lb	44.4	44.8	46.1	54.3
Onions	1 lb	8.5	13.3	9.7	8.7
<u>Beverages</u>					
Tea	½ lb pkt	30.9	30.8	30.8	30.8
Coffee, instant	2 oz jar	45.1	42.8	41.6	44.7
Cocoa	8 oz pkt	31.6	30.5	32.2	32.2
<u>Other Food (excluding meat)</u>					
Sugar	4 lb pkt	40.4	42.3	42.1	43.0
Jam, plum	1½ lb tin	24.4	24.5	24.6	24.9
Jam, marmalade	1½ lb tin	27.4	27.6	27.6	26.0
Honey, liquid	16 oz jar	27.4	26.6	26.0	26.1
Peanut Paste	4 oz jar	18.3	18.7	18.7	18.7
Beans, baked, canned	16 oz tin	16.8	16.4	15.4	16.9
Spaghetti, canned	16 oz tin	16.8	16.4	15.4	16.9
Margarine, table	½ lb	19.1	19.1	19.2	19.2
Sauce, tomato	10 oz bottle	22.5	22.6	22.6	22.6
Pickles, mustard	10 oz jar	24.2	24.4	24.4	23.8
Sardines, Norwegian	3¾ oz tin	16.0	16.2	16.2	16.5
Salmon, Australian, canned	16 oz tin	42.7	42.8	42.8	42.8
Soup, tomato	16 oz tin	18.5	18.5	18.5	17.9
Quarter Ended September 1968					
<u>Meat</u>					
Beef, sirloin, roast	1 lb	57.8		59.8	
" , rib, roast (without bone)	1 lb	50.4		51.6	
" , steak, rump	1 lb	77.1		78.7	
" , steak, chuck	1 lb	47.9		48.7	
" , steak, blade	1 lb	57.5		58.6	
" , sausages	1 lb	26.6		26.3	
" , silverside, corned	1 lb	53.6		55.5	
" , brisket, corned	1 lb	40.7		41.1	
Mutton, leg	1 lb	34.6		34.0	
" , shoulder	1 lb	21.3		20.9	
" , chops, loin	1 lb	34.3		33.2	
" , chops, leg	1 lb	34.7		34.2	
Lamb, leg	1 lb	50.6		48.8	
" , shoulder	1 lb	31.2		30.0	
" , chops, loin	1 lb	53.0		52.3	
" , chops, leg	1 lb	52.5		52.3	
Pork, leg	1 lb	61.0		61.4	
" , loin	1 lb	60.8		60.9	
" , chops	1 lb	61.2		61.2	
Bacon, rashers, pre-packed	½ lb	51.0		50.0	

